## ABSTRACT OF DISCLOSURE

The present invention relates to a casein hydrolysate containing free amino acids and in vivo indigestible peptides having minimally suppressed in vivo enzymatic digestibility, and expected to express functions, such as hypotensive effect, in living organism, and to a method for preparing such a hydrolysate, and use thereof. The casein hydrolysate of the present invention contains free amino acids and peptides, such as in vivo indigestible peptides including Xaa-Pro and Xaa-Pro-Pro, obtained by hydrolyzing animal milk casein to have an average chain length of not longer than 2.1 in terms of the number of amino acid residues, and has ACE inhibitory activity or hypotensive effect.